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Editor and Managing Director

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The House Which Nathanson Built



THE POSITION of N. L. Nathanson in the Industry of Motion Pictures in Canada needs no presentation. Out of the ashes of the Allen Chain of Theatres, "N. L." built up a chain of Famous Players' theatres from coast to coast.

It took fourteen years of building; and only five minutes to disassociate himself from the "house which "Nathanson built." There is something sinister hidden in the walls of this structure, which proved the dividing factor.

It is an old adage which states that "a house divided against itself cannot stand." The morale of the Famous Players Canadian Corporation has been unquestionably shaken. The executives which were made under the Nathanson regime, the showmen who grew under his rule, which advocated a policy of aggressive initiative, stand as if shorn of their strength, wondering what it is all about; and how solid is the foundation upon which they stand?

True, the business will go on. This is true of many businesses which become corporations, publicly-owned utilities and enterprises, but the Master Mind, who hugged this Enterprise jealously to his breast, as a very child of his loins, his eternal vigilance will not be there; and herein becomes evident the "vulnerable spot."

"N. L." practically sewed up Canada for the Famous Players, winning for it the dominant position here. It was the price which the entire Industry paid to make Famous Players Canadian Corporation a famous enterprise. It was perhaps the only method of procedure, through which policy everyone came to Famous and paid their tithes, just as everyone came to Joseph of Egypt for grain; just as all men came to King Solomon during the Empire of his reign with their tithes, and their tribute!

Power assumed control, and that control was impregnable. Like a massed army it stood invincible until its general stepped out of the ranks, making a breach through which opposing forces may enter!

The Famous Players Canadian Corporation as a Canadian-controlled enterprise, or under the directorship of Adolph Zukor, has lost its opportunity to control the Industry in Canada. The resignation of N. L. Nathanson has revealed its innermost secrets. This revelation has given an inspiration to the Independents; and attracted the attention of big picture personalities to Canada. It has inspired the various other chains of theatres in Canada to seize this opportunity for expansive purposes.



RAW



RAY L. LEWIS

PRESENTS

THE Magic crystal reveals, as did this same crystal through the pages of The Digest two years ago, "The Battle of The Giants."

WILLIAM FOX will have theatres in Canada, whether these houses come through as Gaumont British, or as Fox Theatres will not affect the situation, save that through his association with Gaumont British it is possible to make a Gaumont British theatre proposition throughout the British Empire with producing and distributing affiliations in all the Commonwealth of Nations. With the Fox stronghold in the United States, the power of such an organization is readily seen.

The Paramount - Warner-First National-Vitaphone tie-up is a weighty one also. Adolph Zukor is a "man of steel," as those who oppose him realize. Adolph Zukor in his present move in Canada, realized that, at least thirty per cent. of foreign distribution as it relates itself to the United States is represented in the British Empire. The British Empire and the United States are the only two Empires in which English is the national language; and where Talking pictures in English will be understood and accepted.

PERHAPS Adolph Zukor saw this when he blocked the proposal by N. L. Nathanson to place before the shareholders of the company an approved offer to sell Famous Players to the Gaumont British Company.

Undoubtedly Zukor saw Fox with this added strength, undoubtedly Zukor saw Gaumont British fortifying itself on British soil.

Accompanying Adolph Zukor was Sidney R. Kent and Sir William Wiseman.

Backing up these "Big Three" was J. W. Killam of the Royal Securities of Canada.

The question of which was best for the shareholders, for the American Film Industry, for a British Film Industry, is not the question of the Digest's discussion.

The withdrawal of N. L. Nathanson was a "blunder," not for "N. L." because he makes his exit as the "noblest Roman of them all." His alibi is waterproof, "a protection for all shareholders."

THE DOOR of the Canadian Moving Picture Industry has been flung wide open. It will be good for business. There will no longer be one Melting Pot, but many Pots of Gold, a little in each for everybody; and Everybody will be in. The King of the Motion Picture Industry in Canada has abdicated. There is no longer a throne from which his successor can rule. Henceforth we shall have in Canada a Democracy of Motion Picture Interests!

Under the "N. L." regime some of the best showmen in Canada brought their theatres into the fold, in affiliation with Famous, what will these showmen do now?

What has transpired makes it so evident that the present and future of these showmen, as long as they remain an integral part of the Famous Players, is held by a minority of shareholders, who have control. The statement made by "N. L." was to the effect that he advocated the selling of Famous Players to the Gaumont British at \$75.00 a share. It is not quite a year since these shares were split; and not so long ago that these shares were worth only the valuation which the preferred shareholders placed on them, since they were a bonus given to preferred holders.

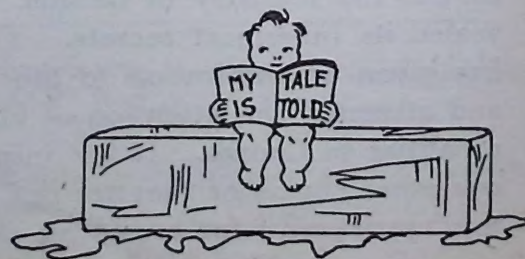
SEVENTY-FIVE DOLLARS a share appears to be good money for nothing. But is control in Canada worth more than seventy-five a share? It might be to those who are in power in the Industry, it does not appear to be to the ordinary shareholder.

Keeping the Industry British is evidently not the point with any who are involved. If "Selling to Gaumont British means selling to Fox, why is Fox more of an American menace than any other American control?"

Since England had no qualms about selling a goodly portion of the Gaumont British to Fox, who represents American interests, why should this issue come up for discussion in connection with the sale or control of Famous Players?

IHAVE always felt that much of the American-control talk of the picture industry, used by those in the Industry, was "Bunk." When all else failed they waved the British Flag to gain their point.

The insincerity of such flag-waving has always made me see "red." Despite the fact that William Fox will do the Gaumont British Enterprises much good, on top of what emanated out of England, by way of building up a British Film Industry, the sale of such a substantial block of the English Picture Business was in the nature of a paradox.



ANNOUNCEMENT!

*{No. 656 Straight from the Shoulder Talk by Carl Laemmle,
President of the Universal Pictures Corporation}*

HEREWITH ANNOUNCE THAT, WHEN YOU SIGN FOR THE UNIVERSAL Complete Service Contract in Sound, you can take your choice to the number of years you want your contract to run . . . one year, two years, three years, four years or five years!

YOU ARE NOT LIMITED TO ONE YEAR.

YOU ARE NOT ASKED TO TAKE TWO, THREE, FOUR OR FIVE years.

BUT IF YOU FEEL THAT YOU WANT PEACE OF MIND AND AB- olute insurance for five years, it's up to you to tell the Universal salesman so.

THERE ARE NO STRINGS TO IT. THERE ARE NEVER ANY STRINGS to any Universal policy.

THE CONTRACT IS SO SIMPLE THAT IT REQUIRES NO ANALYSIS. It plainly and simply gives you the right to any and all Universal products with the exception of Super Specials, Laemmle Specials and newsreels. These are sold on a separate contract.

YOU GET FEATURE PICTURES . . . YOU GET THE GREATEST WEST- erns on the market . . . you get the serials . . . you get Junior Jewels . . . you get 2-reel specials . . . you get single reel comedies, even including the marvelous Oswald cartoons . . . you get 2-reel featur- ees . . . you get a complete program, exactly as the name Com- plete Service implies.

ALL THE MYSTERY . . . AND THE BUNK ABOUT SOUND PICTURES and their prohibitive cost . . . all these things are laid low in one full loop by this announcement.

UNDER THE TERMS OF THIS NEW COMPLETE SERVICE CONTRACT in Sound, you get more than you would have had the nerve to ask for if you had written the contract yourself.

FURTHERMORE, THESE PICTURES ARE FURNISHED EITHER WITH film or disc!

THERE NEVER WAS SUCH A REVOLUTIONARY STEP IN THE BUSI- ness since sound came into it.

|| DON'T CARE A RAP WHETHER YOU SIGN UP FOR ONE YEAR or five. That's for you to decide. It all depends on your own par- ticular situation.

|| HAVE ONLY ONE WARNING NOTE TO SOUND AND THAT IS serious:—The contracts are now deluging us. If you want this contract, you must hurry up about it. If your competition beats you to it, it will simply be too bad, that's all.

|| IF YOU ARE PLANNING TO WIRE YOUR HOUSE, MAKE YOUR AP- plication for this contract NOW!

HERE'S WHAT YOU GET!

1929-30 PRODUCT

LAURA LA PLANTE IN 3
JOHN BOLES IN 2
JOSEPH SCHILDKRAUT IN 3
REGINALD DENNY IN 2
MARY NOLAN IN 4
GLENN TRYON and
MERNA KENNEDY IN 3
GEORGE LEWIS and
BARBARA KENT IN 2
THE DRAKE CASE
GIRL OVERBOARD
THE LAST PERFORMANCE
THE CLIMAX
THE HOMICIDE SQUAD
THE DEVIL'S PIT
KEN MAYNARD IN 8
HOOT GIBSON IN 8
PHANTOM OF THE OPERA
(REISSUED IN SOUND)

SHORT SUBJECTS TWO REELS

12 SPORTING YOUTH
12 FOURTH COLLEGIANS
6 PAT ROONEYS
10 SUNNY JIMS
10 ALL-STAR

Serials:

ACE OF SCOTLAND YARD
TARZAN THE TIGER
THE JADE BOX
THE LIGHTNING EXPRESS
TERRY OF THE TIMES

ONE REEL

7 BENNY RUBINS
26 OSWALD CARTOONS

SILENT

FIVE REELS

JACK HOXIE IN 3
WILLIAM DESMOND IN 3
(REISSUES)

TWO REELS

10 SID SAYLORS
10 ARTHUR LAKES
52 ACTION WESTERNS

ONE REEL

26 CREAM of the COMEDIES
(REISSUES)

Press Headlines Nathanson Resignation

Toronto Stirred Up On Famous Deal--Stock Drops Six Points-- Still Tumbling; Arthur Cohen, Secretary-Treasurer of the Company Appointed Managing Director

NEVER, since the declaration of War, was there so much excitement in Toronto as the announcement that N. L. Nathanson, Managing Director of the Famous Players Canadian Corp. had resigned.

The Famous Players' stock had been a feature on the market. And the market is a feature in Canadian Finance and politics.

THE RECENT announcement that Canadian Interests had purchased the American control of the company, acting upon the suggestion of N. L. Nathanson is still "news," and therefor the more recent "news" event in connection with this company added a climax on a spectacular market.

Thousands of Canadian shareholders are anxious to know what it is all about? As keenly interested is the Industry of Motion Pictures. The Toronto Daily Star published a history of N. L. Nathanson's association with Famous Players as presented by two of their ablest writers, Augustus Bridle and R. E. Knowles. It covered pages of the Star. The other papers also covered the story. Headlines in red were frequent and the bulletin boards headlined the split up in Famous forces also.

WHEREVER one went the discussion was centralized around the Nathanson resignation. The comments were various. The leading question was, what did Zukor do to Kill 'Im? That I. W. Killam lined up with Zukor appeared to be surprising to those who puzzled over the line-up.

We in Canada know that "N. L." and the Canadian group which waxed prosperous in their Famous Alliance, were closely allied. We, in Canada, knew that Adolph Zukor and his associates made many millions out of their Canadian association with Famous Players also.

WE, IN CANADA, know that most of the money which went into Famous for initial financing has been paid back, plus, plus, plus.

We, in Canada, knew that when the Allen Bros. lost their Famous-Lasky Paramount Franchise, "bucking" Zukor, the hour of their dissolution was sounded.

Zukor had an ambition to remain in Canada; and he listened very attentively to "N. L." when it was proposed to have a Famous chain of theatres here.

WHEN the British Empire began to take notice of the Film Industry seriously; and the Industry in England began to realize that the American Film Industry had solidified itself to such an extent that competition was a "pretty tough proposition," the Industry began to ask for co-operation from the Government; and the Empire was flooded with propaganda, stressing the importance of building up a British Film Industry.

H.R.H. The Prince of Wales, presiding at a Trade Luncheon, stated, "Take the British Film Industry seriously, for Trade follows the film."

THE BRITISHER appeared to take the Film Industry seriously. Chains of theatres in various parts of the Empire, under British control, were proposed. The British financing of Film Interests dominated the Financial English charts. Money poured into British Film Enterprise. Not as much of it poured out. "Jaydee" Williams is responsible for the British International

studios at Elstree. "Jaydee" Williams is responsible for World Wide. "Jaydee" tried very earnestly and sincerely to make a British Film Industry.

THE GAUMONT BRITISH theatres became the dominant theatre chain in Great Britain. The Gaumont producing activities were in a healthy state at Shepherd's Bush. Other producers made some notable pictures. The entire output, however, in relationship to U. S. product, by way of quantity, in comparison with German-made pictures, by way of quantity also, was negligible.

British Production values had improved. Noticeably one hundred per cent. The Quota, used as a "teaser" to get finance, did not appear to exercise as much influence, or put over the establishment of a British Film Industry as expected! Because when it comes to Dollars, it's a dollar game only!

DURING all the British Film Industry talk; and the selling of shares to the public, on the strength of building up an Industry of Empire strength and proportions, the proposal of "N. L." to make the Famous Players an all-Canadian company received momentum.

The American interests saw the wisdom of the move. They saw what appeared to be a handicap if American dominance prevailed, in British territory, they sensed other legislative moves in competition.

It looked as if England was very serious about establishing herself as a power in relationship to the screen. The American Film Industry could not jeopardize its export Film trade; and inspire Tariff and other legislative reprisals.

MANY companies, prior to the advent of Talking Pictures, were kept alive by Foreign trade. No producing and distributing company in the U. S. can afford to disregard foreign trade.

No producing and distributing company can afford to lose any territory of the British Empire. Already other foreign countries are legislating against talking pictures save in the language of their country.

NO AMERICAN producing company can produce Talking pictures for foreign countries in Hollywood.

The British Empire therefor grows more and more indispensable to the American Film Industry.

THE NATHANSON IDEA to build up an Empire producing, distributing and exhibiting unit is possible, and feasible. It is the only logical policy for the establishment of a British Film Industry of importance and power.

In 1919 your editor proposed just such a plan to J. J. Allen, of Allen Bros., but J. J. thought your editor was looking for too much territory.

IN 1919 your editor, after seeing a few German productions, including Pola Negri, in "Passion," told the Allen Bros. to buy German pictures and hold them until the ban on them was lifted. Your editor also advised British producers to tie up Germany in a producing and distributing, and exhibiting combine. Some of the British producers thought that your editor had lived so close to America, that she was imbibing some of their methods of doing business.

What Did Zukor Do To Kill 'Im (Killam)?

I. W. Killam, President of Royal Securities Lines Up With Adolph Zukor--Nathanson Motion Defeated

When "N. L." went to England your editor unfolded his plan. Look back and read what your editor saw, and compare it with the present revelations.

AND NOW your editor is going to think aloud again. To hand out some facts which perhaps is foreseen with the same vision which has presumed to prophecy events which have come to pass, in the past.

Six big theatres in six key centres across Canada, might cost its promoters some money, not so much if they have the pictures, but it will cost Famous a great deal also.

IF IT IS TRUE, as intimated, that the Zukor-Killam move was to check Fox, knowing Fox as we all do, is it possible to believe that Fox has been checked?

Financially Fox has been stronger than any other company in the Industry. The banks have not controlled him, because Fox always was keen on having a bank reserve.

THE OTHER companies, big and small, have been more or less under obligation to their bankers. At times they have had to face some rather unpleasant music in this respect.

FOX has had his eye on Canada for a long time. It is a very steady eye; and "N. L." is the reason he did not break ground here. "N. L." managed, through a way which he has, of keeping Fox from building in Canada.

I saw the Fox plans for Toronto theatres in the office of William Fox two years ago. It can be told now without betraying any confidence. What magic "N. L." used, to stop that program from being carried out, is not involved in a few play dates.

OTHERS had their eyes on Canada. Somehow or other "N. L." managed to coax the idea out of their plans. It was a tough job. The discontent was strong. Everybody raged that they were not getting representation, or prices, but "N. L." had an idea and that was to build up the Famous Players Theatre proposition; and he never deviated from this plan, no matter how many heads had to fall into the basket.

It is a curious thing to note that at the eleventh hour the victims were invariably saved. Because "N. L." saw that it was in the interests of Famous Players to keep everybody alive. A few competitors would be poor business for Famous; and was not a sufficient guarantee of quantity, or quality.

IT WAS a game; and he played it so well and at the psychological time, that I wonder if that game can be repeated and at this time. Talking pictures have made producers and distributors realize that Canada can return them real money, even under present conditions. Too much money not to put up a fight to retain, especially with the foreign market becoming a negligible factor, through the necessity of producing pictures in foreign languages, a proposition that only "Jaydee" Williams up to the present time is attempting to solve.

A THEATRE CHAIN, regardless of its strength, which has not strong producing affiliations cannot stand the Theatre competition which gets a strong picture tie-up here!

THE PRESENT situation looks like Fox-Metro-Mayer-Pathe and perhaps United Artists lined up against Famous-Warner-First National. There are a few subsidiaries, linked up indirectly and some through banking control on both sides.

Fox, the Loew Interests and Famous have foreign affiliations. In all moves the banks appear to be directing. The banks have long dreamed of getting the control of the Industry. When our big showmen get what they want; and feel disposed to hand what they acquire over to the banks at a Showman's figure, the banks may have the Motion Picture Industry, not as an Infant which can be easily handled, but as a Talking Adult; and in whose likeness an Image is being made which can walk right into your home, without the necessity of theatres, and talk to you right there. In other words, the mountain is coming to Mahomet, because there is more money in that game through a wider field of distribution.

BUT I am again seeing a decade ahead; and travelling too fast for Show Business in which The Present plays such an important part!

Here is N. L. Nathanson's public statement to the press on his retirement from office. And incidentally do not think that the Industry of Motion Pictures is the only arena which presents "giants" in conflict. You remember that John D. and his associates of oil fame had a bit of a battle with Col. Stewart and got control. You remember that Childs and his associates passed out of the picture in respect to the control of Childs Restaurants. You remember that Lowenstein, who fell like Phaeton from his Chariot, this Wizard of Finance, prior to his spectacular death, ran up against Opposition on the Brazilian deal; and also several other deals of international financing. Life is a battle. There are no victories, nor victors. Each in his appointed time pays toll. Power and wealth are but instruments of service and Service alone is Invincible, All-Conquering, Eternal. "Of what profit is it to a man that he gain the whole world and lose his soul?"

Mr. Nathanson's letter of resignation:

"Sir.—In connection with the various statements made as to the possible sale of Famous Players Canadian Corporation Limited to the Fox Company or some other American interests, and the statement reputed to be made by Mr. Bickell, as vice-president of the company, that he and other Canadian directors would see to it that control of the business remained in Canada, I wish to make the following statements to the shareholders of the company:

"It is intimated that I personally had something to do with the sale of Provincial Cinematograph theatres to the Fox interests, whereas, as a matter of fact, the largest individual shareholder in that particular company was Mr. I. W. Killam, who last year sold the Standard Film Company, which in turn controlled the P.C.T., to the Gaumont British Company. I at no time had any interest in that company, nor in its sale to the Gaumont Company.

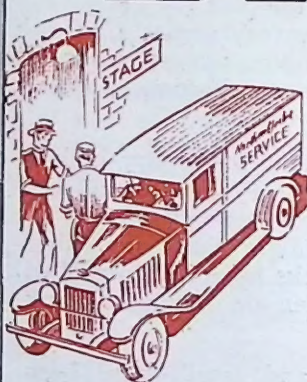
"Mr. Bickell was present in London with me when I attempted to negotiate for the purchase of the Gaumont Company for the Canadian corporation, in an attempt to protect the Canadian company's future operation and to tie it up in an empire trade development and to secure for the Canadian company a definite position in regard to the future English productions, which, I consider, will be of vital interest to Canadian theatre-goers, and in the proper development of the Canadian business.

"We were unsuccessful in securing the Gaumont company, due to some prior arrangement in which they had sold a considerable block of stock to the Fox Company in America, although at a recent special general meeting of Gaumont share-

(Continued on Page 10)



The SHOW MUST GO ON



THE slogan of the engineers of the Research Products Sales Department is "The show must on." These engineers are specially trained to service Northern Electric Sound System. No matter where their services are required they are always at your command.

Recently, they were called by a theatre owner in Northern Ontario whose film had been destroyed by fire damaging part of his equipment. After securing the necessary parts from stock, or from other jobs then in progress in Toronto, they arrived at the nearest point to this Ontario





town at that time, they proceeded over 350 miles of unpaved roads, to the scene of action. The necessary work was commenced, and after a few hours the system was again ready for operation.

Distance, time, weather conditions or other things are not considered in emergencies. *The show must go on* whether the stoppage is caused through some calamity such as the one outlined, or through some minor mishap caused through inexperienced operation.

Theatre owners whose establishments are equipped with Northern Electric Sound System can assure their patrons that their favorite entertainment will never fail through lack of speedy and efficient service when difficulties arise.

To maintain the highest service possible to our equipment, engineers are located at the following points to give immediate attention. Stocks are also carried.

HALIFAX	KINGSTON	LONDON	REGINA
MONTREAL	TORONTO	SUDBURY	CALGARY
OTTAWA	HAMILTON	WINNIPEG	EDMONTON
	VANCOUVER		

Research Products Sales Department,
637 Craig St. West, Montreal.

Northern
SOUND



Electric
SYSTEM

Palestine Emergency Relief

THE DIGEST'S campaign across Canada for the Industry's co-operation in aid of the Palestine Emergency Relief is gathering strength and momentum.

All is set for the big night at Pantages Theatre, Toronto, which house was selected in place of the Uptown, previously reported, since Pantages could accommodate about two more thousand patrons. Mr. Fred Shafer of Pantages and Jules Bernstein of Loew's, are in charge of the Vaudeville program.

FEATURE ACTS from Shea's Hippodrome have been donated by Jerry Shea, who in addition contributed one hundred dollars to the fund.

Feature acts from Loew's and Pantages will also be presented, while Jack Arthur is presenting his Uptown Pony Ballet, and taking care of the orchestra and musical arrangements.

THROUGH the courtesy of the Warner Bros., Al Jolson's latest feature, "Say It With Songs," will be presented, prior to its presentation at the Tivoli, Toronto, where it is scheduled to follow the midnight show at Pantages, Tuesday, Sept. 24th.

Tom Daley, being a real showman and humanitarian, graciously concurred in the arrangement which Warner Bros. made to give this big feature, for its first release in the British Empire, in aid of the Palestine Emergency Relief performance, under the auspices of the Toronto theatres.

TO TOM was also assigned the work of preparing the necessary advertisement; and Tom took over the big job with a willing hand and a warm heart; and you should see his lay-outs.

Tickets are being sold at The Uptown, Shea's Hippodrome, Tivoli, Loew's, the Park, the Bluebell, the Garden, the Liberty, the Photodrome, the King's, in fact at all the Community Theatres. The general admission price is \$1.00, with three hundred reserved seats at \$1.50.

THE PANTAGES, Uptown, Loew's and Shea's Hippodrome are paying all the incidental expenses of the performance, the entire proceeds going to the fund.

The Ruddy Sign Company donated fifty billboards and the Johnson Lithographers concern worked overtime to donate fifty eight-foot stands for the purpose.

MR. J. E. ATKINSON, President of The Toronto Daily Star gave your editor one thousand dollars as a contribution.

The Moton Picture Theatre Owners of Canada, Harry Alexander, president; M. Gebertig, vice-president; A. Polakoff, Treasurer; J. Alexander, secretary, and a Board of Directors consisting of S. Ulster, H. King, S. Firestone, G. Lester, L. Feigan, sent the following letter with a check for fifty dollars:

Sept. 19th, 1929.

Dear Miss Lewis:

We have much pleasure in forwarding you a cheque for \$50.00, same being contribution from the Motion Picture Theatre Owners Assoc. from Toronto Theatres.

We all appreciate the good work you are doing and wish you continued success for the future.

Yours very truly,
MOTION PICTURE THEATRE
OWNER'S ASSOC.
Per E. DANIELS.

THE FAMOUS PLAYERS CANADIAN CORP. has given its theatres from coast to coast, special performances being arranged on various dates. The following telegram was received from J. M. Franklin,

Manager of Keith's, Ottawa, following a performance at this theatre, Wednesday, Sept. 18th:

1929 SEP 19 AM 12 31

Ray Lewis

Ottawa Ont 18

259 Spadina Avenue Toronto Ont

Incomplete returns Palestine Benefit Performance popular price fifty cents admission indicate over six hundred dollars profit press and public offer enthusiastic support audience very appreciative thanks due Famous Lasky and Regal for splendid pictures theatre and staff happy to serve splendid idea grand success regards

J M FRANKLIN

Clair Hague, General Manager of Universal, has advised the Universal Manager, Mr. Law, of the Lyceum, Winnipeg, that the theatre committee in charge can have the theatre and a Universal program for a benefit performance. The Metropolitan, under the management of Walter Davis, is giving a benefit performance also.

Nathanson Resignation

(Continued from Page 7)

holders, it had been arranged that no American company could secure control of the Gaumont company, that none but British citizens could become directors of the Gaumont company, and that the shares purchased by Fox could not be voted by him and that no American citizen or company could hold voting shares in the Gaumont Company.

"Mr. Bickell and the other directors also know, from copies of cables which I have submitted to them on my return from Europe, that it was at Mr. Killam's suggestion and instructions that I entered into negotiations with the Gaumont Company. They further know that Mr. Killam approved that an offer be submitted to the shareholders at \$75 per share. They know that the only reason that offer is not being submitted to the Canadian shareholders is because of an agreement between Mr. Zukor and Mr. Killam, as voting trustees, that the transaction cannot be considered.

"The business having been launched under my auspices, and since its inception having been managing director and representing all of the shareholders who have so long trusted me with their confidence and their investment in this company, I feel that Mr. Killam and Mr. Zukor are abusing their trust as voting trustees in not permitting the shareholders of the company to decide whether they do or do not want to accept the offer; that the voting trustees should not be using their powers under the voting trust to prevent shareholders from expressing their desires as to what shall be done with their own holdings, and by this combination of Mr. Killam and Mr. Zukor (Mr. Zukor representing the American company who no longer have any interest in the Canadian business) the shareholders are being prevented from receiving and accepting what I consider a splendid offer, particularly when it is realized that the voting trust shares of the company were offered to the public as late as August at \$51 per share, and at the time of the offer the shares were selling on the exchanges at around \$56. This offer places a total valuation on the equity of the company, after bonds and debentures of approximately \$9,000,000, of \$28,500,000.

"May I point out that my negotiations were at no time with the Fox company which is an American company, but were with the British Gaumont Company. Control of the British Gaumont company, I understand, is in British hands, and the Fox company were only consulted because of their large minority holdings in the British Gaumont company, and to enable them to consult their legal advisers as to the feasibility of carrying out the proposed arrangement.

"Under these circumstances, and the fact that the other voting trustees refuse to receive the offer and submit it to the shareholders, I tendered my resignation as managing director of the company to the meeting today, and, while regretting to take this step, I had no other alternative, as I could no longer act in a capacity representing shareholders and not be able to protect them, even to the extent, apparently, of enabling them to decide what is in their own interest."—Yours very truly,

(Signed) N. L. NATHANSON.



Show Business



(Special to The Digest from Ottawa)

The moving picture season in Ottawa, the Canadian Capital was opened under Vice-Regal auspices when Their Excellencies, the Governor-General of Canada and Viscountess Willingdon, attended a performance of Paramount's "Dr. Fu Manchu" at the Regent Theatre. They were received at the theatre by Manager T. R. Tubman.

WITH only one exception, the exhibitors of Ottawa, Ontario, have accepted a two-year agreement with the moving picture operators which provides a wage of \$60 per week. Four operators work in two six-hour shifts in the wired houses and there is no extra pay for rehearsals. The exception is the Centre Theatre where Manager D. Stapleton has declared open shop.

An Irishman entertained a whole regiment of Highlanders on Friday, the 13th, and a delightful time was had by all. The occasion was the parade of the 38th Cameron Highlanders of Ottawa, affiliated with the famous "Black Watch," the Kilties being the guests of Manager Paddy Nolan.

Labor difficulties have arisen at the Centre Theatre, one of the leading downtown houses of Ottawa, Ontario, where Manager Don Stapleton has declared "open shop" following the inability of the theatre and local union officials to come to terms for the new contract. Projection operators alone are affected as the house orchestra was discontinued when the Centre went talkie.

Mild objections were heard at the Imperial Theatre, Ottawa, when the sub-title "Hunting in the Wilds of Canada" appeared on the screen in a Hodge Podge short subject, the audience taking a dislike to the "wild" stuff, even though it was a comical reference.

UNITED AMUSEMENTS, LIMITED, Montreal, operating 15 high class theatres in the Province of Quebec, has placed its no-par common stock on a regular dividend basis, with a declaration of a 50c payment for the half year. The stock is listed at \$40. Increased revenue due to synchronized films has placed the company in a highly prosperous condition. United Amusements is affiliated with Famous Players Canadian Corp.

To meet the increased competition of the annual fall fair, Manager R. S. Roddick of the Capitol, London, Ontario, prepared a special Fair Week policy. Fair visitors were invited to attend the special 11 A.M. shows before they went to the fair grounds and a new slogan, "Rest at the Capitol" was stressed. For the benefit of ruralites, Manager Roddick presented a natural color talkie, "On With the Show," as a special treat.

THE ONTARIO CENSORS cut holes in "The Man and the Moment," an Elinor Glyn story, before it reached the screen of the Centre Theatre, Ottawa, but the local newspapers reviewers frankly asserted that the deletions only heightened the effect which the censors had tried to remove. The result was that women flocked to the theatre.

R. J. Howarth, well-known in Toronto, Ontario, theatre circles, has been appointed manager of the Oakwood Theatre, a prominent suburban house which was owned and operated for many years by the late James Crang. The latter died suddenly some time ago while on a visit to Chicago.

The Evening Tribune of Welland, Ontario, devoted a section of six pages in a publicity tie-up with the Capitol Theatre when Manager T. Forhan introduced talking programs there. Many local firms took advertising space while the reading space was devoted to the "marvel of the movies."

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Perkins Has Cinephone Powers New 1930 Model

THE NEW DeLuxe 1930 Model heralded by Powers Cinephone is called the "Rolls-Royce" of Sound Reproducers by its builders. It is introduced to the trade with "eight points of superiority" as its sales angle:

IN ANNOUNCING the new DeLuxe 1930 Model especial emphasis is placed on the vital importance of quality and P. A. Powers, president of Powers Cinephone says: "The matter of price, is, or should be, negligible in the purchase of sound equipment. The selection of sound equipment is now of even greater importance than the selection of a picture program because the Sound Reproducer once installed becomes a permanent fixture and every picture projected over it helped or hurt by the quality of the equipment.

"PROGRAMS may be changed and several good pictures will offset the bad effect of a poor picture. But if the Sound Reproducer is of poor quality every program will be marred—every show will be poor, and the bad effect will be permanently reflected in poor box office receipts.

"Sound Reproducers are the personal voice of theatres. They give the theatre a certain personality which either attracts or distracts patronage and many exhibitors have already learned this important fact by sad experiences.

"MANY theatres that installed inferior sound equipment under mistaken ideas of economy now find themselves with such poor patronage that they cannot even pay for their cheap equipments and are faced with

the problem of closing or disclosing their present Sound Reproducers at a total loss, in an effort to rebuild patronage with proper sound reproduction.

"In our earliest announcements," says Mr. Powers, "we drew the exhibitor's attention to the fact that the public was 'sound-wise' through the use of talking machines and radio sets, that patrons knew more about the quality of sound than they ever did about dramatic quality and that poor sound reproduction would not be tolerated. The truth of this is now being proved most decisively by poor patronage where there are poor sound reproducers and good patronage where there are good reproducers.

"Knowing this, we have not tried to cheapen the Powers Cinephone in order to reduce its selling prices, but have turned the energies of our engineers and technical staff to improve our instruments to the highest possible standard of quality. The DeLuxe 1930 Model represents and embodies the most advanced improvements and refinements devised by sound experts who have worked ceaselessly to eliminate all the troublesome defects heretofore found in sound equipment."

The DeLuxe 1930 Model is in three separate units; Disc, Sound-on-Film, or a combination of both systems. And one of its outstanding features is the standardization of units which permits theatres installing only the Disc equipment, to add the Sound-on-Film attachment at any time, and those installing the Sound-on-Film equipment may add the Disc attachment at any time without discarding any part of the equipment already installed.

Many radical changes are noticeable in the new 1930 DeLuxe Model. The motor drive is now a separate unit and devised to overcome vibrations and eliminate breakage in P.E. Cells and exciter lamps. Large sprockets in the Sound-on-Film attachment gives greater smoothness and evenness of tone in reproduction and the simplification of all reproducers' operation extremely simple.

The gearings have been silenced by being enclosed in grease-filled housing. This improvement also makes lubrication entirely automatic, insures even operation, safety, and long life to the moving parts.

The turntable for the disc attachment is so designed that the discs fit down into a recess and are so protected without the use of a guard rail.

The amplifiers used with the DeLuxe Model are especially designed instruments with circuit protectors guarding all main arteries from destructive feed-backs and voltage fluctuations. These amplifiers are finely

balanced to deliver accurate reproduction and every delicate inflection of the human voice without distortion at high point volume.

The whole design is constructed to make every part easily accessible so that bulbs may be changed and the instrument cleaned without loss of time or any interruption of the show. The new design while differing greatly in appearance from the previous models, preserves the compact construction which has always distinguished the Powers Cinephone in occupying the minimum of floor space.

The entire equipment is turned out in a harmonious and appropriate high grade frosted-black finish.

Exhibitors Discuss Tiffany Franchise

Canadian theatre men met in Montreal Sept. 17 to analyze and discuss the new Tiffany-Stahl five-year franchise. The meeting was held at the Mount Royal Hotel and was in charge of Messrs. Lennox and Lawson. Carl J. Goe, Assistant General Sales Manager for Tiffany-Stahl, and Phil Hazza, Canadian General Sales Manager, presented the franchise for the discussion of the Canadian exhibitors.

On this same date New England exhibitors met in Boston to discuss the Tiffany-Stahl franchise. Phil E. Meyer, Metropolitan Division Manager for Tiffany-Stahl, and Abram F. Myer, President of the Allied States Association, were the principal speakers.



PHIL HAZZA

Canadian General Sales Manager, who presented the Tiffany Franchise to Canadian exhibitors.

Capital Winnipeg Reopens With RKO Vaudeville

(Special to Digest From Winnipeg.)

A TOUR through the interior of the Capital theatre, Winnipeg, shows the extensive and costly work which is going on in the interior of the large auditorium of the building.

The ceiling has been redecorated in the most pleasing and harmonious colors, gold and silver leaf being largely used, making a very artistic and colorful effect. The drab kitchen buff appearance of the walls, both upstairs and down, has been changed to a simple but bright and cheerful combinations of colors which with the aid of the brush of the painting staff of artists from Montreal, headed by M. Boeffe, has been completed.

THE entrance has also been changed in its color scheme, and the work is now in progress on the Portage Avenue side. This latter is a heavy contract as art glass is being assembled, and the extent of the walls and ceilings from the door to the upper balcony means a large undertaking. A deep, heavy carpet will be laid along the entire length, including the steps and this will be continued into the foyers and lobbies and down the aisles. The seats are being painted to match the color of the carpet, and new chairs are being placed in the loges, which will not be moveable. The new chandeliers throughout the entire building are to be of cut glass. The ladies' rest room has been made into a dream of loveliness.

THE STAGE has been deepened by an addition to the front and a new idea in footlights has been installed, which is said to be the most modern in Canada. Artists appearing on the stage will be closer to their audience than formerly, while at the back of the seating a wall of acoustic plaster has been erected which will add to the betterment of the acoustics both for the sound pictures and the various acts of vaudeville. Back of the balcony seats there has been placed a glass partition running to the ceiling. Radio-Keith-Orpheum vaudeville reopens the Capital, Monday, September 23.

Observations

A GALA EVENT in Halifax, N.S., was the re-opening of the Community Theatre with an audible screen, this house having the first installation in Canada of Junior Western Electric equipment. The first attraction was "The Shakedown." The Community is jointly owned by Myer Herschorn, who is the manager, and J. M. Franklin, who is manager of B. F. Keith's Theatre, Ottawa. Public greetings were extended to the Community by means of advertisements in the Halifax Herald from various other theatres, including the Orpheus, Garrick and Casino Theatres.

FOR THREE MONTHS, six pioneer residents of the Northern post of Fort Churchill, on the shores of Hudson's Bay, spent their spare time in erecting a moving picture hall. In the meantime, projection equipment was brought in over the new rail line from Winnipeg. Eventually, the rough-hewn "theatre," perched on the muskeg and rock between the railway station and the United Church, was ready for business.

The grand opening was delayed for some days, however, because the man who had been selected as projectionist proved to be a flop — he could not set the lens for the sheet which served the purpose of a screen. Finally, this technical detail was accomplished and the whole town turned out for the first screening, the attraction being "Ladies of the Mob," starring Clara Bow. The populace occupied every inch of the backless plank seats — and the total receipts were \$120.50. Most of the men present had not seen a woman for months and, therefore, the show was a howling success.

LATE that night a big storm blew up and the somewhat flimsy structure was uprooted so that the next feature, Zane Grey's "Nevada," had to be held over until the theatre could be patched up with the assistance of some sailors from a tramp schooner.

Sound Propositions !!

DE LUXE MODEL H MOTIOGRAPH.

62% of the usual heat on the film eliminated. Very quiet in operation. No vibration. No tearing down repeatedly for repairs. Perfect for all Sound Systems — ask any Sound Engineer. Dozens of recent installations prove the DeLuxe the only choice. Price, same as in U.S.A.—Model F—\$1,000.00 — Model H—\$1,250.00. Accept quotations from no one else — we are exclusive Motiograph Distributors in the Dominion of Canada.

THE VELVET GOLD FIBRE PERFORATED SOUND SCREEN.

The only successful Gold Fibre Screen Perforated. Not a fabrikoid or rubber surface — a Velvet Gold Fibre. Means the same good projection on a Gold Fibre Screen but you can place your speakers back of it. Write for samples and prices.

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Properly geared, heavy turntables that fit your present projector using your present motor. The ideal thing for the small theatre. Complete per pair with pick-ups and fader, \$600.00. We will be glad to advise you on amplifiers and speakers. A complete talkie installation for around \$1,200.00. Write us.

USED PROJECTORS.

We still have on hand a few Powers 6B and Simplex Machines which, under our overhaul and guarantee, are just what the small theatre needs for Sound to replace those very old, worn machines. Write us for prices before they are all gone.

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Round About the Studios



Montague Love, featured player in *Midstream* for Tiffany Productions.

With the selection of Roland Young, famous New York stage player, for the part of Arnesson and Alec Francis for the role of Professor Dillard the cast of *"The Bishop Murder Case"* was completed and actual shooting on the picture began last week at the Metro-Godwyn-Mayer studio. *"The Bishop Murder Case"* is an all-talking production, directed by Nick Grinde.

The cast of this film looms up as one of the most imposing ever selected for a talking picture, with Basil Rathbone, who scored a great hit in *"The Last of Mrs. Cheyney,"* in the part of Philo Vance. The cast includes Leila Hyams, George Marion, Zelda Sears, Bodil Rosing, Sidney Bracy, and Charles Quartermaine.

"The Bishop Murder Case" has been an outstanding 1929 best-seller among detective fiction, its sales holding up with those of *"The Greene Murder Case,"* S. S. VanDine's previous Philo Vance story.

Marcel DeSano has been signed by Tiffany-Stahl to direct Mae Murray in her forthcoming all-dialogue, singing, dancing feature, *"Peacock Alley."* DeSano was loaned to Tiffany-Stahl by Paramount to which firm he is under contract to direct Ruth Chatterton in *"Zaza."*

Direct from successes at the Palace Theatre and Ziegfeld's *"Show Boat"* comes Jules Bledsoe, the original *"Old Man River"* who tops a remarkable vaudeville bill that includes Al Raymond and Frank Caverly, veteran Dutch funsters; Hooper and Gatchett in *"The Rookie"* and *"Broken Toys"* an odd comedy novelty.

Radio Pictures' all-talking comedy *"The Very Idea"* starring Frank Craven furnishes ample screen amusement.

William Kent, noted musical comedy star, has been engaged for *"The King of Jazz Revue"* starring Paul Whiteman. John Murray Anderson has also engaged the Russell Markert Dancers for this revue.

Robert Montgomery, who has just completed a featured part in *"Untamed,"* Joan Crawford's new starring picture has been given the male lead opposite Norma Shearer in the latter's new vehicle, *"Their Own Desires."*

Regis Toomey, who was originally slated to play this part, was obliged to fulfill another screen engagement. Montgomery was prominent in juvenile parts on the New York stage.

Surrounding the great box-office name of Al Jolson as star of *"Mammy,"* many of Hollywood's most distinguished players will appear in the supporting cast of this Vitaphone roadshow now in production at the Warner Studio. Among those signed this week by J. L. Warner, are Hobart Bosworth, Noah Beery, Ben Hall and Frank Hagney.

Previously announced for principal roles in *"Mammy"* are Lois Moran, Louise Dresser, Lowell Sherman, Mitchell Lewis and Tully Marshall. The story has been adapted by Joseph Jackson from the play, *"Mr. Bones"* by Irving Berlin. The picture's box-office elements include not only the presence of Al Jolson as its star, but a musical score composed entirely by Irving Berlin and the fact that several sequences will be photographed in the latest Technicolor process.

Carl Edouarde, well known musical director, is now in charge of the synchronization for Aesop's Sound Fables, the Van Beuren Corporation short subjects released by Pathe. The latest Fables synchronized by Edouarde and his orchestra are *"A Jungle Fool"* and *"The Fly's Bride."*

Churchill Ross, that eminent collegian, and Buddy Roosevelt have been added to the cast of Mary Nolan's second starring vehicle for Universal, *"The Come-On Girl."* It will go into production at Universal City under the direction of Harry Pollard next week. Don Douglas and Robert Ellis are the other featured players.

Laurel and Hardy are in jail in their first talking comedy of the 1929-30 program of Hal Roach M-G-M two reel comedies. *"The Hoosegow"* is the title of the new film, which finds Laurel and Hardy serving time for something they know nothing about.

Shooting on *"The Hoosegow"* began on August 30 under the direction of Jas. Parrott. Laurel and Hardy are supported by Edgar Kennedy, Jimmy Finlayson and Tiny Sanford.

"The Racketeer," featuring Robert Armstrong and Carol Lombard, has been finished at the Pathe studio. Like all Pathe pictures for this season, it is an all-dialogue picture.

Production will soon start on *"The Grand Parade,"* which will be directed by Fred Newmeyer. The first player to be engaged for this production is Helen Twelvetrees, who has been borrowed from Fox for the picture. Because of her stage experience she is particularly well fitted for her role in this all-talking picture.

Richard Boleslavsky, who staged the marvelous ballet in *"Paris Bound,"* is rehearsing fifty young beauties for some elaborate scenes in *"Red Hot Rhythm,"* Alan Hale's current feature. These scenes will be filmed in color. With Hale in the cast are also Walter O'Keefe, Kathryn Crawford and Josephine Dunn.

Emmett Flynn has finished his second picture for Universal. The last scene in *"The Shannons of Broadway"* with James and Lucille Gleason was shot on the big stage at Universal City on Saturday night.

Bessie Love, who has been extremely successful in her talking picture characterizations in *"The Broadway Melody,"* *"The Hollywood Revue,"* and other films, has been given the leading feminine part in the baseball picture which Van and Schenck will make for Metro-Goldwyn-Mayer, tentatively titled *"Take It Big."*

Jack Conway, who has just completed Joan Crawford's *"Untamed"* will direct the new production, for which *"Bugs"* Baer, New York columnist now on the coast, has supplied the dialogue.

The supporting cast includes Benny Rubin, Mary Doran and Tom Dugan.

Mary Philbin has been signed by Tiffany-Stahl for the leading feminine role in *"Troopers Three,"* the United States Cavalry story written and supervised by Arthur Guy Empey, author of *"Over The Top."* The picture will be produced at Tiffany-Stahl's West Coast studios with the co-operation of the army.

Miss Philbin won her initial screen success in *"Stella Maris,"* *"The Phantom of the Opera,"* and *"The Merry-Go-Round."* She has since appeared in *"Surrender,"* *"Drums of Love,"* *"Love Me and the World is Mine,"* *"The Man Who Laughs"* and *"The Port of Dreams."*

Guinn Williams has also been signed for the part of *"Spud Murphy,"* the drill sergeant, in *"Troopers Three."*

Slim Summerville will play an important part.

George Barraud, who was borrowed from M-G-M to play one of the leading roles opposite Betty Compson and Juliette Compton in the Tiffany-Stahl Gainsborough production *"Woman to Woman,"* has been signed to play opposite Mae Murray in her first starring vehicle for Tiffany-Stahl entitled *"Peacock Alley."* The story was written by Carey Wilson and adapted for the screen by Frances Hyland. Wilson will supervise but up to the present time no director has been signed. Production has already begun.



Marion Davies, as she appears in *"Hollywood Revue of 1929"* for Metro-Goldwyn-Mayer.

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Ann Harding
in **"PARIS
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with Frederic Marsh
and Leslie Fenton

From the stage play by Philip Barry, produced by Arthur Hopkins, Supervised by Maurice Revnes, Directed by Edward H. Griffith, Adaptation by Horace Jackson.

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**"BIG
NEWS"**

with Robert Armstrong
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From the story by George S. Brooks, Screen play by Walter de Leon, adaptation by Jack Jungmeyer. Directed by Gregory La Cava.

Ina Claire
in
**"The Awful
Truth"**

Story by Arthur Richman, Directed by Marshall Neilan, Supervised by Maurice Revnes, Dialogue directed by Rollo Lloyd. Adaptation by Arthur Richman, Horace Jackson.

**"The
Sophomore"**

with Eddie Quillan
Sally O'Neil, Jeanette Loff

From the story by Cory Ford. Supervised by William Conselman. Directed by Leo McCarey. Adaptation by Joseph Franklin Poland.

All With
Music,
Sound,
Dialogue

**"LUCKY IN
LOVE"**

with Morton Downey
and Betty Lawford

Story and dialogue by Gene Markey. Original songs by Bud Green and Sam H. Stept. Musical Director Sacha Bunchuk. Directed by Kenneth Webb. Supervised by Robert Kane.

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